

AN ACT

ENTITLED, An Act to exempt service contracts from the insurance code.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

Section 1. That § 58-1-3 be amended to read as follows:

58-1-3. No provision of this title applies with respect to:

- (1) Fraternal benefit societies, except as stated in chapter 58-37A;
- (2) Bail bondsmen, other than corporate sureties and their agents, except as stated in chapter 58-22;
- (3) Motor vehicle service contracts, extended service agreements, or other contracts by which a motor vehicle dealer licensed under chapter 32-6B or manufacturer of motor vehicles contracts to indemnify a motor vehicle owner or lessor against loss due to mechanical breakdown, or freedom from defective or worn parts or equipment of motor vehicles;
- (4) Service agreements or extended warranty plans for which the primary purpose is to provide service, repair, or replacement on consumer goods or products including appliances, merchandise, or equipment, or mechanical/electrical systems in single or multiple-family dwellings. Incidental indemnity payments under such plans where service, repair, or replacement is not feasible or economical does not void this exemption;
- (5) Any person, trust, or other entity proven to be under the exclusive regulatory authority of the federal government or another state agency;
- (6) Any agreement to provide liability protection entered into pursuant to chapter 1-24 is exempt from the regulatory requirements of Title 58, except to forms of insurance coverage provided by an insurer otherwise subject to the insurance laws of this state.

An Act to exempt service contracts from the insurance code.

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I certify that the attached Act
originated in the

SENATE as Bill No. 118

Secretary of the Senate
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President of the Senate

Attest:

Secretary of the Senate

Speaker of the House

Attest:

Chief Clerk

Senate Bill No. 118

File No. _____

Chapter No. _____

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Received at this Executive Office
this ____ day of _____ ,

19__ at ____ M.

By _____
for the Governor
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The attached Act is hereby
approved this _____ day of
_____, A.D., 19__

Governor
=====

STATE OF SOUTH DAKOTA,

ss.

Office of the Secretary of State

Filed _____, 19__
at _____ o'clock __ M.

Secretary of State

By _____
Asst. Secretary of State